

Madison County Utilities District

859-624-1735
P O Box 670
297 Michelle Dr
Richmond, KY 40476-0670

April 25, 2008

Acting Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
P O Box 616
Frankfort, KY 40601



RECEIVED

APR 28 2008

PUBLIC SERVICE
COMMISSION

Re: Purchased Water Adjustment Filing

2008-153

Madison County Utilities District is requesting a Purchase Water Adjustment. Enclosed are the filing forms and supporting documentation. This filing is made pursuant a rate increase from our wholesale provider Richmond Utilities. Madison County Utilities District will publish the enclosed notice (Exhibit 5) no later than June 27, 2008.

Should you have questions or require additional information please feel free to contact me at 859-624-1735.

Sincerely,

John C. Clark, Manager

**PURCHASED WATER ADJUSTMENT FOR
WATER DISTRICTS AND ASSOCIATIONS
(807 KAR 5:068)**

Name of Utility	Madison County Utilities District	
Date	April 16, 2008	
Address	P. O. Box 670	
City, State, Zip	Richmond, KY	40476-0670
Telephone Number	859-624-1735	

1.a. Name of all wholesale suppliers and the base (current) rate and changed rate of each. In the event the water purchased is billed by the supplier on a rate that is not a flat rate schedule, the entire rate schedule must be shown. Attach additional sheets if necessary.

Supplier(s)	Base Rate	Changed Rate
Richmond Utilities	\$2.02 per 100 cu ft	\$2.08 per 100 cu ft
Kentucky River Authority	\$0.040 per 100 cu ft	\$0.065 per 100 cu ft

1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit #1

2. Twelve-month period upon which the purchased water adjustment is based. (This twelve-month period must end within 90 days of this filing).

From	3/07	through	2/08
	(month and year)		(month and year)

3. Statement of water purchases. Where water is purchased from more than one supplier, purchases from each supplier must be shown separately. If water is purchased through a declining block rate schedule, purchases for each month must be shown. Attach an additional sheet if necessary.

Supplier(s)	Purchased during 12 month period
Richmond Utilities	93,167,800 cu ft
TOTAL PURCHASES	93,167,800 cu ft
4. Total sales for the 12 month period \$3,511,404.17	
5. Increased water cost \$55,900.68	
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor \$0.10	
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.	
<p>Note: The purchased water adjustment factor is added to each thousand gallons sold. If the minimum usage is 2,000 gallons then the purchased water adjustment factor would be added to the minimum bill twice. Revised tariff sheets must be attached showing the rate to be charged by the utility and the effective date of the increased rates.</p>	
7. Proposed effective date July 1, 2008	
 Signature of Utility Officer	
Manager Title	

List of Exhibits

Exhibit #1 – Suppliers Notice

Exhibit #2 – Water Purchased

Exhibit #3 – Madison County Utilities District 12 Month History

Exhibit #4 – Calculations

Exhibit #5 – Proposed Billing Rates

Exhibit #1



300 Hallie Irvine St.
P.O. Box 700
Richmond, KY 40476-0700

March 31, 2008

Madison County Utility District
Attn: Jim Carr/John Clark
297 Michelle Drive
Richmond, KY 40475

Dear Jim/John:

NOTICE

Richmond Utilities ("RU") has filed a proposed rate schedule which will increase the rate for water service provided as follows:

	<u>Current Rate</u>	<u>Proposed Rate</u>	<u>% Difference</u>
Kirksville Water Association	\$2.02/100 Cu Ft	\$2.08/100 Cu Ft	2.8% Increase
Madison County Utility District	\$2.02/100 Cu Ft	\$2.08/100 Cu Ft	2.8% Increase

The proposed effective date is July 1, 2008.

The Kentucky River Authority has increased their "water use fee". Effective April 1, 2008, the rate will increase to \$0.065/100 cu ft. The change will be reflected on bills reflecting usage from April 1".

The rates contained in this notice are the rates proposed by RU. However, the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

Any corporation, association, or person with a substantial interest in the matter may, by written request, within thirty (30) days after publication or mailing of this notice of the proposed rate changes request to intervene. Intervention may be granted beyond the thirty (30) day period for good cause shown.

Any person who has been granted intervention by the Public Service Commission may obtain copies of the rate application and any other filings made by RU by contacting Scott Althausser at the offices of RU, 300 Hallie Irvine Street in Richmond, Kentucky: telephone 859-623-2323.

Any person may examine the rate application and other filings made by RU by visiting the offices of RU at 300 Hallie Irvine Street or by contacting the Public Service Commission at 211 Sower Boulevard in Frankfort, Kentucky; telephone 502-564-3940.

Sincerely,

Scott Althausser
Superintendent

Cc: Greg Puckett, Counsel
Madison County Fiscal Court

FOR Madison County, Kentucky
Area Served

P.S.C. KY. NO. 2

SHEET NO. _____

CANCELLING P.S.C. KY. NO. 1

SHEET NO. _____

Richmond Utilities
(Name of Municipal Utility)

RATES AND CHARGES

MONTHLY WHOLESALE WATER RATE:

Madison County Utility District
&
Kirksville Water Association

\$2.02 per 100 cubic feet

Kentucky River Authority Withdrawal Fee:

Tier I Fee	\$0.017 per 100 cubic feet
Tier II Fee	<u>\$0.045</u> per 100 cubic feet
Sub-Total	\$0.062 per 100 cubic feet
Adjustment to recover the full cost of the KRA Fee	<u>\$0.003</u> per 100 cubic feet
Total	<u>\$0.065</u> per 100 cubic feet

NOTE: This page only revises the Kentucky River Authority Withdrawal Fee. The usage rate remains the same as approved by City Ordinance 07-13 on May 8, 2007.

DATE OF ISSUE March 31, 2008

Month / Date / Year

DATE EFFECTIVE April 1, 2008

Month / Date / Year

ISSUED BY s/W. Scott Althaus

(Signature of Officer)

TITLE Superintendent

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. n/a DATED n/a

Exhibit Z

Madison County Utilities District

**Exhibit #2
Water Purchased - 12 Months**

<u>Usage Period</u>	<u>100 Cu Ft</u>
3/1-4/2/07	75,792
4/2-5/1/07	73,227
5/1-6/1/07	96,995
6/1-7/2/07	106,486
7/2-8/1/07	99,151
8/1-9/4/07	104,397
9/4-10/1/07	75,009
10/1-11/2/07	75,149
11/2-12/3/07	94,039
12/3-1/3/08	66,351
1/3-2/1/08	65,082
TOTAL	931,678

Exhibit #3

RUN DATE: 04/15/08 10:02
TERMINAL: 8

MADISON COUNTY UTILITIES
HISTORY TRACKING BY ACCOUNT NUMB
MONTHLY LISTING (BILLING/USAGE) FOR 03/07

SERVICE: W WATER
MINIMUM AVERAGE USAGE:

ACCOUNT RANGE: ALL
NONE

U = USAGE AU = AVERAGE USAGE UA() = NUMBER OF USAGE ADJUSTMENTS INCLUDED

REPORT TOTALS

	NUMBER OF BILLS	TOTAL USAGE	AVERAGE USAGE	BILLING	AVERAGE BILL
MAR 07	9747	569737.0	58.5	234194.15	24.03
APR 07	9758	584499.2	59.9	239655.78	24.56
MAY 07	9788	633272.0	64.7	256213.82	26.18
JUN 07	9817	763520.9	77.8	302062.04	30.77
JUL 07	9845	808354.0	82.1	316020.81	32.10
AUG 07	9869	806520.9	81.7	348858.07	35.35
SEP 07	9881	819423.8	82.9	353725.45	35.80
OCT 07	9889	739977.2	74.8	323713.21	32.73
NOV 07	9897	707123.8	71.4	312687.39	31.59
DEC 07	9873	599961.8	60.8	271056.18	27.45
JAN 08	9875	571247.7	57.8	260408.90	26.37
FEB 08	9868	656175.7	66.5	292808.37	29.67
TOTALS	118107	8259814.0	69.9	3511404.17	29.73

BILLING TOTALS INCLUDE THE FOLLOWING:

CHARGES

Exhibit #4
Calculations

5. Increased Water Cost

$\$2.02/100$ cu ft to $\$2.08/100$ cu ft and $\$0.04/100$ cu ft to $\$0.065/100$ cu ft
= $\$0.085/100$ cu ft

Increased Water Cost = $931,678$ (100 cu ft) \times $\$0.085$
= $\$79,192.63$

6. Purchase Water Adjustment Factor =

$\$79,192.63/825,981.40$ (100 cu ft) = $\$0.096$

Use = $\$0.10/100$ cu ft

**Exhibit 5
Proposed Water Rates**

First	280	cubic feet	\$13.33	Minimum Bill
Next	720	cubic feet	\$4.17	per 100 cubic feet
Next	3,000	cubic feet	\$3.97	per 100 cubic feet
Next	8,000	cubic feet	\$3.80	per 100 cubic feet
Next	88,000	cubic feet	\$3.63	per 100 cubic feet
Over	100,000	cubic feet	\$3.36	per 100 cubic feet